

Peggy Hunt (Utah State Bar No. 6060)
John J. Wiest (Utah State Bar No. 15767)

DORSEY & WHITNEY LLP
111 South Main Street, 21st Floor
Salt Lake City, UT 84111-2176
Telephone: (801) 933-7360
Facsimile: (801) 933-7373
Email: hunt.peggy@dorsey.com
wiest.john@dorsey.com

Attorneys for Court-Appointed Receiver R. Wayne Klein

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION

<p>SECURITIES AND EXCHANGE COMMISSION,</p> <p style="text-align: right;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>NATIONAL NOTE OF UTAH, LC, a Utah Limited Liability Company and WAYNE LaMAR PALMER, and individual,</p> <p style="text-align: right;">Defendants.</p>	<p>TWENTY-EIGHTH STATUS REPORT OF R. WAYNE KLEIN, RECEIVER</p> <p><i>For the Quarter Ending June 30, 2019</i></p> <p>2:12-cv-00591 BSJ</p> <p>The Honorable Bruce S. Jenkins</p>
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R. Wayne Klein, the Court-Appointed Receiver (the “Receiver”) of National Note of Utah, LC (“National Note”), as well as certain subsidiaries and entities affiliated with National Note and the assets of Wayne LaMar Palmer (“Palmer”), hereby submits this *Twenty-Eighth Status Report* for the period April 1, 2019 through June 30, 2019 (the “Reporting Period”).

I.

ABBREVIATED PROCEDURAL HISTORY

This action (the “Civil Case”) was commenced by the United States Securities and Exchange Commission (the “SEC”) on June 25, 2012.¹ After trial, the United States District Court for the District of Utah (the “Court”) entered judgment against Palmer and National Note.²

A grand jury indicted Palmer and his cousin, Julieann Palmer Martin, in 2015. Both later pleaded guilty. On May 11, 2018, Ms. Martin was sentenced to 16 months in prison followed by three years of probation and ordered to pay approximately \$2 million in restitution. She is currently incarcerated in Phoenix, Arizona, with a scheduled release date in August 2019. On August 31, 2018, Palmer was sentenced to 60 months incarceration and three years of post-release supervised probation. The Court ordered Palmer to pay \$52,944,855.41 in restitution to 564 investors, with at least \$500 being required to be paid each month after his release from prison. Palmer is now scheduled to report to prison on August 14, 2019.

¹ Docket [No. 1](#).

² Docket [No. 1043](#).

II.

REMAINING REAL ESTATE

Attached hereto as **Exhibit A** is a chart setting forth the status of all real properties in the Receivership Estate as of June 30, 2019. Only one group of properties remain in the Receivership Estate: 37 lots located in the “Elkhorn Ridge” subdivision in Malad, Idaho.

A. Appraisal. At the Court’s request, the Receiver engaged an appraiser to provide an updated appraisal of the Elkhorn Ridge lots, and the Court entered an order authorizing this engagement.³ The Receiver received the appraisal during the Reporting Period, which assumes the property will be sold in a bulk sale, with the 37 lots and the common areas being sold to a single buyer within a six-month time frame. Based on these assumptions, the Elkhorn Ridge property was valued at \$398,000. The appraisal also provides separate values for each lot, with values ranging from \$14,000 to \$16,000.

B. Marketing and Potential Buyers. The property has been marketed continuously throughout the Reporting Period, and it is currently listed for bulk sale at \$398,000.00, with individual lots being listed at \$24,500.00. This marketing has included prominent signage on the property, listing of the property and the individual lots through the MLS service, marketing by a listing agent, and outreach by the Receiver to all persons who have contacted him regarding this property and other properties of the Receivership Estate. The Receiver has sent the appraisal and photographs to all persons who have expressed an interest in any property of the Receivership

³ Docket [No. 1449](#).

Estate, including Elkhorn Ridge. During the Reporting Period, the Receiver has not received any formal offers for a bulk sale or individual lots.

There has been some interest in the property. The listing agent was contacted by an entity interested in purchasing the entire property for approximately \$350,000.00, and the parties engaged in initial negotiations, but the buyer was waiting for the appraisal to submit a formal offer. Shortly after the appraisal was delivered, one of the partners of the potential buyer backed out, leaving the remaining partner with insufficient capital to present an offer. The remaining partner suggested making an offer of \$250,000, but the Receiver indicated he would not be willing to recommend that price for Court approval. To date, this potential buyer has not presented a formal offer.

III.

COLLECTION OF JUDGMENTS

All collection efforts on judgments and settlement agreements have been concluded.

IV.

DISTRIBUTIONS

A. The Initial Distribution. On November 14, 2016, pursuant to the Initial Distribution Order, the Receiver distributed \$4.49 million to the holders of “Allowed Claims” who were entitled to a distribution under the *Plan of Distribution* that was approved by the Court. All distribution checks related to this initial distribution cleared. Subsequently, on May

14, 2018, the Court entered an Order allowing payment of \$20,960.85 to the holders of three Disputed Claims.⁴ Those payments have been made and the checks have cleared.

B. Second Distribution. On June 21, 2018, the Court entered an *Order Granting Receiver's Amended Motion Seeking Authorization to Make Second Distribution*.⁵ Pursuant to that Order, the Receiver distributed on June 29, 2018, a total of \$2,005,394.41 to 228 holders of Allowed Claims entitled to a distribution under the rising tide methodology approved by the Court. All these distribution payments have cleared the bank.

C. Distribution Pursuant to Mathison Report. The Court requested the Receiver to report on the allowance of a claim held by Mark Mathison. The Receiver filed a *Report Summarizing Investments of Mark Mathison*, and a hearing on the report was held on January 4, 2019.⁶ After the hearing, the Court entered an *Order* requiring the Receiver to make a distribution to Mr. Mathison in the amount of \$26,162.99, which was paid in January 2019.

V.

FINANCIAL ANALYSIS

A. Receivership Financial Information. The following financial information is provided for the Reporting Period:

1. Bank Accounts. The Receiver maintains two bank accounts for the operation of the Receivership Estate: a general operating account (the "Operating Account") and

⁴ Docket [No. 1376](#).

⁵ Docket [No. 1400](#).

⁶ Docket [No. 1424](#).

an account used to hold deposits for the sales of real estate (the “Real Estate Account”).⁷ The balances in these accounts as of the close of the Reporting Period are as follows:

Account	Account Balance
Operating Account	\$819,719.30
Real Estate Account	\$8,000.00
TOTAL	\$827,719.30

2. Operating Account Deposits. The sources of funds deposited into the Operating Account during the Reporting Period are shown in the following table:

Source	Amount In
Bank interest	\$279.50
TOTAL	\$270.50

3. Operating Account Expenditures. The following table shows the categories of operating expenses that have been paid from the Operating Account during the Reporting Period:

Type of Expense	Amount Out
Storage unit rental (six months)	\$762.00
Corporate renewal fee	\$20.00
TOTAL	\$782.00

4. Distributions. As described in Part IV.B, all distribution payments made to date have cleared the bank.

⁷ Pursuant to the Court’s *Order Approving the Receiver’s Third Interim Fee Application for Receiver and Receiver’s Professionals for Services Rendered from July 1, 2013 through December 31, 2013*, Docket No. 828, the Receiver has established a separate Savings Account tied to the Operating Account in which he is holding 20% of the professional fees incurred by him and his counsel related to that fee application. Money to open this Savings Account was transferred from the Operating Account. This Savings Account has a current balance of \$123,063.87 and is in addition to the amounts reported below.

5. Real Estate Account Deposits and Withdrawals. The Real Estate Account remains open for use to hold deposits relating to real estate transactions.

6. SFAR Attached as Exhibit B is a copy of the *Standardized Fund Accounting Report* for the Reporting Period

7. Administrative Expenses. Pursuant to an *Order* entered on May 3, 2019,⁸ the Receiver paid \$11,762.50 to the Receiver and \$14,909.06 to Dorsey & Whitney LLP for services for the six-month period from July to December 2018.

For the current Reporting Period, the Receiver and his staff have spent a total of 7.0 hours on behalf of the Receivership Estate. Billable services provided by the Receiver during the Reporting Period total \$1,302.50. For the current Reporting Period, Dorsey's fees, less voluntary reductions, are in the total amount of \$675.50. No application seeking payment of fees and expenses have been filed for the limited services rendered from January 1, 2019 to present. To conserve resources, the Receiver will wait until the end of the third quarter of this year to present a fee application to the Court seeking approval of 2019 fees and expenses.

VI.

NEXT STEPS

The Receiver anticipates addressing the following priorities in the coming months:

1. Property Sale. As soon as a reasonable offer is received for the Elkhorn Ridge property, the Receiver will seek Court approval to sell the property at public sale using the offer as an opening bid.

⁸ Docket [No. 1453](#).

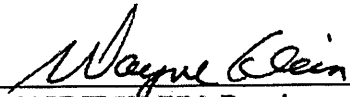
2. Closing the Estate. The Receiver is preparing to close the Receivership, including by making a third and final distribution and requesting appropriate relief from the Court.

VII.

CONCLUSION

The Receivership Estate is close to the point at which it can be closed. As soon as the Elkhorn Ridge property is sold, the Receiver intends to submit a motion to make a final distribution and close the Receivership.

DATED this 31st day of July, 2019.



WAYNE KLEIN, Receiver

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the above **TWENTY-EIGHTH STATUS REPORT OF R. WAYNE KLEIN, RECEIVER** was filed with the Court on this 31st day of July, 2019, and served via ECF on all parties who have requested notice in this case.

/s/ Candy Long

EXHIBIT A

	A	B	C	D	E	F	G
1		REAL PROPERTIES--STATUS					
2		As of 6/30/19. Investigation Ongoing. All Information Subject to Change.					
3		The numbers in the first column correspond with numbers of these properties as described in the Receiver's First Status Report.					
4		Property Name	Location	Listing Price	Sales Price	Net Sale Proceeds	Status
5		PROPERTIES CURRENTLY IN RECEIVERSHIP ESTATE					
6	3	Elkhorn Ridge Estates-37 Building Lots	Malad, ID	Various			
7		PROPERTIES SOLD OR RELEASED					
8		Property Name	Location	Listing Price	Sales Price	Net Sale Proceeds	Status
9	1	River Run/Riverbend Subdivision-Land	Middleton, ID	N.A.	N.A.	N.A.	No equity. Court approved release of property to lender [Dkt. No. 590]
10	2	Single family home: 1st Avenue	Middleton, ID	115,000	105,000	102,461.72	Sale approved [Docket No. 734]. Sale closed 10/15/14
11		Single family home: Hawthorne Ave.	Middleton, ID	80,000	76,000	69,569.48	Sale approved [Docket No. 804]. Sale closed 11/17/14
12	3	Elkhorn Ridge Estates-47 Building Lots	Malad, ID				Lots sold to date are:
13		Lot #1		135,000	155,000	142,834.78	Sale approved [Docket No. 419] Sale closed 8/29/13
14		Lot #2		35,000	31,500	27,725.00	Sale approved [Docket No. 492] Sale closed 12/6/13
15		Lot #3		35,000	22,000	19,344.67	Sale approved [Docket No. 1261]. Sale closed 1/31/17
16		Lot #4		35,000	35,000	30,893.21	Sale approved [Docket No. 231] Sale closed 4/26/13
17		Lot #5		80,000	80,000	71,803.14	Sale approved [Docket No. 231] Sale closed 4/8/13
18		Lots #6 & 7		70,000	44,000	39,483.79	Sale approved [Docket No. 1295]. Sale closed 6/9/17
19		Lot #22			22,000	19,322.15	Sale approved [Docket No. 1364]. Sale closed 4/2/18
20		Lot #25			25,200	22,178.62	Sale approved [Docket No. 1341]. Sale closed 1/29/18
21		Lot #48		80,000	80,000	73,620.84	Sale approved [Docket No. 231] Sale closed 4/9/13
22	4	Elkhorn Ridge-4 Undeveloped Parcels	Malad, ID	250,000	240,000	226,369.05	Sale approved [Docket No. 1173]. Sale closed 9/9/16
23	5	Manhattan Grille Condominium	Manhattan, MT	49,000	51,000	45,933.32	Sale approved [Docket No. 300] Sale closed 6/5/13
24	6	Twin Pines Apartments	Brigham City, UT	N.A.		172,020.02	Sale approved [Docket No. 736]. Sale closed 9/14/14
25	7	Ogden Office Building (49% ownership)	Ogden, UT	699,000	600,000	241,836.07	Sale approved via auction [Docket No. 1042]. Sale closed 1/6/16
26	8	Summit Park Lot	Summit Park, UT	40,000	37,500	32,477.61	Sale approved [Docket No. 135] Sale closed 1/24/13
27	9	Bandanna Cabin	Fruitland, UT	260,000	260,000	226,374.07	Sale at auction approved [Docket No. 341] Sale closed 10/24/13
28	10	Deer Meadows	Duchesne Co., UT	54,000	41,000.00	34,506.47	Sale approved [Docket No. 1369]. Sale closed 6/6/18
29	11	Outpost/Indian Canyon	Duchesne Co., UT	N.A.	148,222.56	134,068.12	Sale approved [Docket No. 269] Sale closed 8/21/13
30	12	East Meadows Mobile Home Park	Vernal, UT	N.A.	1,025,000	979,620.29	Sale approved [Docket No. 292] Sale closed 7/29/13
31	13	Quail Hollow Apartments	Vernal, UT	N.A.	N.A.	N.A.	Determined not owned by Receivership Estate
32	14	Residential Building Lots at 900 West	Salt Lake City, UT	N.A.	70,000	65,295.00	Sale approved [Docket No. 263] Sale closed 5/8/13
33	15	Cottonwood Road Property-4 acres	Salt Lake City, UT	N.A.	N.A.	N.A.	No equity; court approved release of property to lender [Dkt. No. 179]
34	15	Cottonwood Road Property-1 acre	Salt Lake City, UT	N.A.	291,000	279,189.07	Sale at auction approved [Docket No. 495] Sale closed 11/8/13
35	16	National Note Office Building	West Jordan, UT	285,000	285,000	55,903.09	Sale approved [Docket No. 161] Sale closed 3/19/13
36	17	Palmer Residence	West Jordan, UT	N.A.	N.A.	N.A.	No equity. Court approved abandonment of property [Dkt. No. 869]
37	18	Star Pointe Development	Salt Lake City, UT	N.A.	N.A.	70,000.00	Court approved settlement agreement with lender [Docket No. 608]
38	19	Autumn Ridge Subdivision-Phase I	Eagle Mtn., UT				
39		Phase I-Lot #2		37,000	39,900	35,635.21	Sale approved [Docket No. 692]. Sale closed 7/8/14
40		Phase I-Lot #3		37,000	39,900	35,711.84	Sale approved [Docket no. 644] Sale closed 5/1/14
41		Phase I-Lot #4		37,000	37,000	30,821.91	Sale approved to builders [Docket No. 293] Sale closed 6/3/13
42		Phase I-Lot #6		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
43		Phase I-Lot #7		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
44		Phase I-Lot #8		37,000	37,000	31,554.15	Sale approved to builders [Docket No. 293] Sale closed 5/31/13
45		Phase I-Lot #11		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
46		Phase I-Lot #16		37,000	39,900	35,903.39	Sale approved [Docket No. 696]. Sale closed 7/18/14
47		Phase I-Lot #21		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
48		Phase I-Lot #30		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13

	A	B	C	D	E	F	G
49		Phase I-Lot #33		37,000	37,000	30,775.92	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
50		Phase I-Lot #39		37,000	39,900	35,903.39	Sale approved [Docket No. 696]. Sale closed 7/18/14
51		Phase I-Lot #40		37,000	37,000	30,911.96	Sale approved to builders [Docket No. 293] Sale closed 9/25/13
52		Phase I-Lot #41		37,000	37,000	30,857.73	Sale approved to builders [Docket No. 293] Sale closed 8/14/13
53		Phase I-Lot #51		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
54		Phase I-Lot #52		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
55		Phase I-Lot #54		37,000	37,000	31,554.16	Sale approved to builders [Docket No. 293] Sale closed 5/31/13
56		Phase I-Lot #55		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
57		Phase I-Lot #60		37,000	37,000	31,355.89	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
58		Phase II-62 Building Lots		N.A.	538,000	446,610.24	Sale approved [Docket No. 460] Sale closed 10/1/13
59	20	Overland Trails	Eagle Mtn., UT	340,000	690,000.00	625,681.94	Sale approved via auction [Docket No. 1431] Sale closed 1/18/19
60	21	Cedar Fort Land (Fairfield)-8 acres	Fairfield, UT	24,000	25,000	22,274.21	Sale at auction approved [Docket No. 458] Sale closed 11/14/13
61	21	Cedar Fort Land (Fairfield)-85 Acres	Fairfield, UT	255,000	213,925	242,656.49	Sale approved [Docket No. 1186]. Sale closed 8/12/16
62	22	Expressway Business Park	Spanish Fork, UT				
63		Unit #109		N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 241]
64		Unit #305		65,000	69,000	55,840.79	Court approved sale at auction [Docket No. 270] Sale closed 6/27/13
65		Unit #204		N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 364]
66		Unit #215		N.A.	127,500	112,965.27	Sale approved at auction [Docket No. 393] Sale closed 10/30/13
67	23	Expressway Business Park-Land	Spanish Fork, UT	1,250,000	775,000	357,412.55	Sale at auction approved [Docket No. 1320]. Sale closed 12/22/17
68	24	Gooseberry Cabin	Fairview, UT	N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 125]
69	25	Almond Heights-21 Building Lots	Toquerville, UT	842,000			
70		Lot #A-2		159,750	148,200	118,730.60	Sale Approved [Docket No. 1099] Sale closed 3/22/16
71		Lot #C-2		34,200	30,780	24,136.91	Sale Approved [Docket No. 1075] Sale closed 3/1/16
72		Lot #F		32,300	31,000	24,733.41	Sale approved [Docket No. 988] Sale closed 8/24/15
73		Lot #F-3		35,150	31,635	24,887.93	Sale Approved [Docket No. 1075] Sale closed 3/1/16
74		Lot #7		38,000	32,000	29,388.95	Sale approved [Docket No. 829]. Sale closed 12/18/14
75		Lot #10		38,950	36,000	30,552.54	Sale approved [Docket No. 906]. Sale closed 3/31/15
76		Lot #11		37,050	32,000	6,788.12	Sale approved [Docket No. 829]. Sale closed 12/16/14
77		Lot #12		38,000	32,000	6,787.90	Sale approved [Docket No. 829]. Sale closed 12/16/14
78		Lot #13		37,050	32,000	6,787.75	Sale approved [Docket No. 829]. Sale closed 12/16/14
79		Lot #14		35,150	31,635	6,525.25	Sale Approved [Docket No. 1075] Sale closed 3/1/16
80		Lot #15		33,250	29,925	6,254.50	Sale Approved [Docket No. 1075] Sale closed 3/1/16
81		Lot #17		30,400	24,000	21,752.44	Sale approved [Docket No. 829]. Sale closed 12/11/14
82		Lot #18		30,400	27,360	23,562.06	Sale Approved [Docket No. 1075] Sale closed 3/1/16
83		Lot #19		22,800	18,600	-1,200.46	Sale Approved [Docket No. 1068] Sale closed 1/25/16
84		Lot #20		22,800	18,600	-1,526.81	Sale Approved [Docket No. 1068] Sale closed 1/25/16
85		Lot #21		11,500	7,700	4,198.82	Sale approved [Docket No. 1256]. Sale closed 2/9/17
86		Lot #22					Sale approved [Docket No. 1256]. Sale closed 2/9/17
87		Lot #23		31,350	24,000	20,346.06	Sale approved [Docket No. 998]. Sale closed 9/4/15
88		Lot #24		33,250	31,000	26,672.24	Sale approved [Docket No. 998]. Sale closed 9/4/15
89		Lot #25		35,150	34,000	29,216.54	Sale approved [Docket No. 951]. Sale closed 5/21/15
90		Lot #26		34,200	32,000	27,151.02	Sale approved [Docket No. 829]. Sale closed 12/17/14
91	26	Kanab Home	Kanab, UT	199,000	197,000	18,162.90	Sale approved [Docket No. 746]. Sale closed 9/4/14
92	27	Farrell Business Park-12 Units	Gilbert, AZ				
93		Unit 103		76,631	101,631	83,997.05	Court approved sale at auction [Docket No. 202] Sale closed 5/31/13
94		Unit 104		76,631	101,631	83,997.05	Court approved sale at auction [Docket No. 202] Sale closed 5/31/13
95		Unit 105		80,000	92,000	70,392.98	Court approved sale at auction [Docket No. 203] Sale closed 5/21/13
96		Unit 106		80,000	97,000	74,832.11	Court approved sale at auction [Docket No. 204] Sale closed 6/7/13
97		Unit 107		80,000	90,000	67,699.81	Court approved sale at auction [Docket No. 205] Sale closed 6/7/13
98		Unit 109		80,000	80,000	59,194.91	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13
99		Unit 110		80,000	80,000	59,194.91	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13
100		Unit 111		80,000	80,000	59,194.92	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13

	A	B	C	D	E	F	G
101		Unit 113		80,000	107,000	85,094.45	Court approved sale at auction [Docket No. 207] Sale closed 6/3/13
102		Unit 114		80,000	107,000	85,094.45	Court approved sale at auction [Docket No. 207] Sale closed 6/3/13
103		Unit 115		80,000	80,000	59,288.00	Court approved sale at auction [Docket No. 208] Sale closed 6/11/13
104		Unit 116		80,000	80,000	59,288.00	Court approved sale at auction [Docket No. 208] Sale closed 6/11/13
105	28	Clearview Business Park-8 Units	Mesa, AZ	415,954	737,000	591,295.43	Court approved sale at auction [Docket No. 177] Sale closed 5/10/13
106	29	Bear Grove Industrial Park-8 Lots	Byron, MN	1,675,200			
107		Parcel #8516		281,500	210,000	10,000.00	Sale approved [Docket No. 853]. Sale closed 3/27/15
108		Parcel #8509		156,700	149,000	98,795.03	Sale approved [Docket No. 849]. Sale closed 3/16/15
109		Parcel #8512		305,000	235,000	6,500.00	Sale approved [Docket No. 854]. Sale closed 3/6/15
110		Parcel #6060		340,000	235,000	10,000.00	Sale approved [Docket No. 875]. Sale closed 3/24/15
111		Lot 3, Block 1 (Parcel #8510)		149,500	149,500	95,340.47	Sale approved [Docket No. 989] Sale closed 9/30/15
112		Block 2, Lots 4-5		448,300	448,300	279,963.57	Sale at auction approved [Docket No. 1084] Sale closed 3/31/16
113		Block 2, Lot 1		285,000	280,000	34,019.74	Sale approved [Docket No. 1118]. Sale closed June 15, 2016
114		Block 1, Lot 4		285,000	288,520	10,000.00	Sale approved [Docket No. 1361]. Sale closed 4/16/18.
115	30	Georgia Single Family Residence	Temple, GA	135,000	125,000	106,843.83	Sale approved [Docket No. 553] Sale closed 1/10/14
116	31	Chicago Single Family Residence	Chicago, IL	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
117	32	Cleveland Single Family Residence	Cleveland, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
118	33	Cleveland Building Lot	Cleveland, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
119	34	Toledo Single Family Residence	Toledo, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
120							
121		Total		12,181,116.00	11,712,463.92	8,202,038.80	

EXHIBIT B

Wayne Klein, Receiver for National Note of Utah
PO Box 1836
Salt Lake City, UT 84110
801-824-9616

STANDARDIZED FUND ACCOUNTING REPORT

Civil – Receivership Fund

Fund Name: SEC v. National Note of Utah
Civil Court Docket No. 2:12-CV-00591 BSJ

Reporting Period 04/01/2019 to 06/30/2019

Standardized Fund Accounting Report for National Note of Utah - Cash Basis				
Receivership; Civil Court Docket No. 2:12-CV-00591 BSJ				
Reporting Period 04/01/2019 to 06/30/2019				
Fund Accounting (See Instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 04/01/2019):	\$979,159.38		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	\$0.00		
Line 3	Cash and Securities	\$0.00		
Line 4	Interest/Dividend Income	\$187.35		
Line 5	Business Asset Liquidation	\$0.00		
Line 6	Personal Asset Liquidation	\$0.00		
Line 7	Third-Party Litigation Income	\$0.00		
Line 8	Miscellaneous - Other	\$0.00		
	Total Funds Available (Lines 1 - 8)		\$979,346.73	
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	\$0.00		
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	\$11,762.50		
Line 10b	Business Asset Expenses	\$2,782.00		
Line 10c	Personal Asset Expenses	\$0.00		
Line 10d	Investment Expenses	\$0.00		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees	\$14,909.06		
	2. Litigation Expenses	\$0.00		
	Total Third-Party Litigation Expenses	\$14,909.06		
Line 10f	Tax Administrator Fees and Bonds	\$0.00		
Line 10g	Federal and State Tax Payments	\$0.00		
	Total Disbursements for Receivership Operations	\$29,453.56		
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:	\$0.00		
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		

	<i>Total Plan Development Expenses</i>	\$0.00		
Line 11b	<i>Distribution Plan Implementation Expenses:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		
	5. Miscellaneous	\$0.00		
	6. Federal Account for Investor Restitution	\$0.00		
	(FAIR) Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses</i>	\$0.00		
	Total Disbursements for Distribution Expenses Paid by the Fund	\$0.00		
Line 12	Disbursements to Court/Other:			
	<i>Investment Expenses/Court Registry Investment System</i>			
Line 12a	<i>(CRIS) Fees</i>	\$0.00		
Line 12b	<i>Federal Tax Payments</i>	\$0.00		
	Total Disbursements to Court/Other	\$0.00		
	Total Funds Disbursed (Lines 9 - 12):		\$29,453.56	
Line 13	Ending Balance (As of 06/30/2019):			\$949,893.17
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	<i>Cash & Cash Equivalents</i>	\$949,893.17		
Line 14b	<i>Investments</i>	\$0.00		
Line 14c	<i>Other Assets or Uncleared Funds</i>	\$0.00		
	Total Ending Balance of Fund - Net Assets			\$949,893.17
Other Supplemental Information:				
		Detail	Subtotal	Grand Total
	<i>Report of Items NOT To Be Paid by the Fund:</i>			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	<i>Plan Development Expenses Not Paid by the Fund:</i>			
	1. Fees:	\$0.00		

	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		
	<i>Total Plan Development Expenses Not Paid by the Fund</i>	\$0.00		
Line 15b	<i>Plan Implementation Expenses Not Paid by the Fund:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		
	5. Miscellaneous	\$0.00		
	6. FAIR Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses Not Paid by the Fund</i>	\$0.00		
Line 15c	<i>Tax Administrator Fees and Bonds Not Paid by the Fund</i>	\$0.00		
	Total Distributions for Plan Administration Expenses Not Paid by the Fund	\$0.00		
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
	<i>Investment Expenses/Court Registry Investment System</i>			
Line 16a	<i>(CRIS) Fees</i>	\$0.00		
Line 16b	<i>Federal Tax Payments</i>	\$0.00		
	Total Disbursements to Court/Other Paid by the Fund:	\$0.00		
Line 17	DC & State Tax Payments	\$0.00		
Line 18	No. of Claims:			
Line 18a	<i># of Claims Received This Reporting Period</i>	0		
Line 18b	<i># of Claims Received Since Inception of Fund</i>	468		
Line 19	No. of Claimants/Investors:			

Line 19a	# of Claimants/Investors Paid This Reporting Period	0		
Line 19b	# of Claimants/Investors Paid Since Inception of Fund	433		
		Receiver: <u>National Note of Utah</u>		
		By: <u>Wayne Klein</u>		
		(signature)		
		<u>Wayne Klein</u>		
		(printed name)		
		<u>Receiver</u>		
		(title)		
		Date: <u>7/5/19</u>		

NNU SFAR - 2nd Quarter 2019							
Line Breakdown							
	Line 2	Line 4	Line 5	Line 6	Line 7	Line 8	Total
Rent Received	\$0.00						
Overpaid Investors					\$0.00		
National Note			\$0.00	\$0.00	\$0.00		
Real Estate Holding			\$0.00				
Royalties Received						\$0.00	
Interest		\$187.35					
Refunds						\$0.00	
Witness Fees						\$0.00	
Advances by Receiver							
	\$0.00	\$187.35	\$0.00	\$0.00	\$0.00	\$0.00	\$187.35
	Line 9	Line 10a	Line 10b	Line 10f	Line 10e-1	Line 10e-2	Total
Receivership Expenses	\$0.00	\$11,762.50	\$2,782.00	\$0.00	\$14,909.06	\$0.00	
Refund Deposit from Prior Period			\$0.00				
Adjustment - NNU Account			\$0.00				
	\$0.00	\$11,762.50	\$2,782.00	\$0.00	\$14,909.06	\$0.00	\$29,453.56
	Line 14a						
National Note	\$71,418.98						
Savings	\$123,048.02						
High-Yield Operating	\$747,426.17						
Real Estate Holding	\$8,000.00						
High-Yield Real Estate	\$0.00						
	\$949,893.17						

Created by James Shupe on 7/4/2019